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INFO OCT-01 EA-07 NEA-10 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 OES-03 ERDA-05 MC-02 EB-07 NSF-01 ACDA-05

FEA-01 INT-05 SAJ-01 /106 W
----- 050048

R 172142Z NOV 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 5254

INFO AMEMBASSY BELGRADE

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E.O. 11652: N/A

TAGS: FR, TECH, TGEN, EIND, EINV

SUBJECT: GISCARD AND FRENCH TECHNOLOGY, PART I: THE
DECISIONMAKING STYLE

REFS: A) PARIS A-71, FEB 1, 1974 (POMPIDOU'S PROGRAMS)

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B) PARIS 7082 (COMPUTERS)

- C) PARIS 24441 & 24159 (1974) (SPACE)
- D) PARIS 20567 & 18618 (NUCLEAR ENERGY)
- E) PARIS 6259 (SCIENTIFIC RESEARCH)
- F) STATE A5634, AUG 26, 1975 (INDUSTRIAL POLICY)
- G) PARIS 13818 (GISCARD'S STYLE)

SUMMARY: IN AN ORDERLY, STEP-BY-STEP PROCESS, THE GISCARDIEN REGIME HAS REVAMPED THE MAJOR GOVERNMENT PROGRAMS IN NUCLEAR ENERGY, COMPUTERS, SPACE, AND SCIENTIFIC RESEARCH. WHILE RETAINING THE SAME BROAD OBJECTIVES AS HIS GAULLIST PREDECESSORS, GISCARD PLACES MORE EMPHASIS ON THE ECONOMIC CONTENT. HE SHOWS A CLEAR PREFERENCE FOR AN ACTIVE GOVERNMENT, CONTROLLING AND EVEN PARTICIPATING IN THESE SENSITIVE STRATEGIC INDUSTRIES. EACH REFORM FOLLOWED THE SAME PATTERN. THE MINISTRY OF INDUSTRY AND RESEARCH MADE A CAREFUL STUDY OF THE DOSSIER, BROUGHT IT THROUGH INTERMINISTERIAL DEBATE, AND PRESENTED THE ELYSEE WITH ALTERNATIVES. GISCARD HAS REGULARLY ACCEPTED THE MINISTER'S RECOMMENDATIONS, ONCE EVEN OVER THE OPPOSITION OF CHIRAC AND THE FOREIGN OFFICE. IN THE PROCESS, THE GOVERNMENT HAS IGNORED PARLIAMENT, LABOR, AND OFTEN CONCERNED ENTERPRISES. IT SEEMS TO HAVE BASED ITS DECISIONS NOT ON A GLOBAL INDUSTRIAL OR TECHNOLOGICAL POLICY BUT ON ESSENTIALLY PRAGMATIC GROUNDS. THE STRONG POINTS OF THE GISCARDIEN STYLE ARE ITS METHODICAL PROBLEM-SOLVING APPROACH, CARE, DECISIVENESS, AND WILLINGNESS TO BE INNOVATIVE WITHIN EXISTING STRUCTURES. ITS WEAK POINTS ARE THOSE OF A FRENCH TECHNOCRAT MORE INCLINED TOWARD ANALYTIC COHERENCE THAN THE ROUGH-AND-TUMBLE OF A PROCESS OPEN TO ALL CONCERNED PARTIES. END SUMMARY

1. WITH THE RECENT DECISIONS IN THE NUCLEAR AND COMPUTER FIELDS, GISCARD APPEARS TO HAVE DRAWN THE FINAL LINES FOR THE DEVELOPMENT OF FRENCH SCIENCE AND TECHNOLOGY. THIS ANALYSIS TRIES TO DETERMINE WHAT THE REFORMS TELL US ABOUT VALERY GISCARD D'ESTAING, HIS PRIORITIES, HIS DECISION-MAKING STYLE. FIVE DECISIONS ARE CONSIDERED CONCERNING COMPUTERS, NUCLEAR ENERGY, LIMITED OFFICIAL USE

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ENERGY, SPACE, AND SCIENTIFIC RESEARCH. PART II DEALS WITH THE REFORMS IN DETAIL. (SEPTTEL)

2. GISCARD'S PRIORITIES: WHILE TAKING CARE TO MAINTAIN DE GAULLE'S STRATEGIC OBJECTIVES, GISCARD HAS PLACED INCREASED EMPHASIS ON ECONOMIC OBJECTIVES OF IMPROVING INDUSTRIAL COMPETENCE, INCREASING EXPORTS' AND

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COOPERATING WITH OTHER NATIONS TO REDUCE DEVELOPMENT
COSTS. HE HAS SHOWED HIMSELF MORE FAVORABLE THAN HIS
TWO PREDECESSORS TO AN ACTIVE ROLE OF THE GOVERNMENT

IN PRIVATE INDUSTRY, THOUGH NOT EXTENDING AS FAR AS
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NATIONALIZATION. IN BOTH COMPUTERS AND NUCLEAR ENERGY, FOR EXAMPLE, THE GOVERNMENT IS TAKING A LARGE BUT MINORITY SHARE IN THE TWO MAJOR CONSTRUCTORS. GISCARD'S EUROPEANIST SYMPATHIES DO NOT SEEM TO INFLUENCE HIS DECISIONS ON COSTLY PROGRAMS, NOR HAVE THE OBLIGATORY POLITICS OF INDEPENDENCE PREVENTED HIM FROM ACCEPTING ALLIANCES WITH U.S. NUCLEAR AND COMPUTER FIRMS. HIS FLEXIBLE, PRAGMATIC APPROACH LEADS TO RESULTS THAT APPEAR GIMMICKY AND INCONSISTENT TO SOME OBSERVERS WHO WOULD PREFER GREATER POLITICAL OR IDEOLOGICAL COHERENCE.

3. THE DECISION-MAKING STYLE: EACH OF THE DOSSIERS UNDERWENT A LONG AND CAREFUL STUDY AT THE MINISTRY OF INDUSTRY AND RESEARCH; THEN IT PASSED INTO INTER-MINISTERIAL REVIEW. FINALLY, ALTERNATIVES AND RECOMMENDATIONS WERE PRESENTED TO THE ELYSEE, AND A DECISION WAS REACHED CLEARLY IDENTIFIED WITH THE PRESIDENT. IN EACH CASE, THE MINISTER FOR INDUSTRY AND RESEARCH D'ORNANO HAD THE DECISIVE VOICE: ON COMPUTERS OVER THE OPPOSITION OF CHIRAC AND THE FOREIGN OFFICE, AND ON NUCLEAR POWER AND SPACE OVER THE OPPOSITION OF THE FINANCE MINISTRY. ONLY ON THE NUCLEAR POWER PROGRAM WAS PARLIAMENT CONSULTED, AND THEN WELL AFTER THE GOVERNMENT HAD MADE ITS DECISIONS. THUS PARLIAMENTARIANS HAVE BEEN EXCLUDED ON IMPORTANT LOCAL ISSUES OF EMPLOYMENT AND ENVIRONMENTAL CONCERNS.

4. THE MAJOR CHARACTERISTICS OF THIS DECISIONMAKING STYLE ARE:

A. PRAGMATIC PROBLEM-SOLVING APPROACH: IN EACH CASE, THE DECISIONMAKERS WERE CONCERNED WITH THE BEST WAY TO ACHIEVE OBJECTIVES, GIVEN THE RESOURCES AT HAND. THE FALL-OUT ON POLITICAL PARTIES, LABOR UNIONS, AND EVEN EUROPEAN POLICY SEEMED TO BE CONSIDERED SECONDARY.

B. CARE: DECISIONS WERE NOT RUSHED; WHEN AN IMPASSE DEVELOPED, THE DECISION WAS DELAYED. FOR EXAMPLE, DESPITE GISCARD'S PLEDGE ON TELEVISION TO RESOLVE THE COMPUTER SITUATION BY THE END OF 1974, A DECISION WAS NOT REACHED UNTIL 6 MONTHS LATER.

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C. MILDLY INNOVATIVE: CERTAINLY GISCARD SURPRISES. HE SEEMS OPEN TO ANY SOLUTION THAT WILL WORK, SHORT OF NATIONALIZATION. HOWEVER, WHILE THE REFORMS SEEM INNOVATIVE, HE HAS NOT OVERTHROWN OLD STRUCTURES BUT REVISED THEM, NOR HAS HE SWERVED FROM EXISTING OBJECTIVES OF INDEPENDENCE AND ECONOMIC GROWTH.

C. DECISIVE: ONCE A DECISION WAS MADE, THE GOVERNMENT BROOKED NO OPPOSITION EITHER FROM LABOR, POLITICAL PARTIES, OR PRIVATE INDUSTRY. THE GOVERNMENT SEEMED TO HAVE ASSUMED THAT AFFECTED PARTIES WOULD FALL IN LINE. AND THEY DID. IN ADDITION, GISCARD HAS SHOWN HIMSELF WILLING TO BACK HIS COMMITMENTS WITH AMPLE GOVERNMENT FUNDS.

E. MODEST: GISCARD HAS NOT TRIED TO JUSTIFY THE INCREASED EXPENDITURES NOR GOVERNMENT ROLE BY RINGING STATEMENTS OF FRENCH INDEPENDENCE AND GRANDEUR. HE PREFERS A MORE MODERATE CONCEPTION OF FRANCE AS BEING FIRST AMONG NATIONS OF ITS SIZE.

5. NO MATTER WITH WHOM HE DINES, GISCARD IS A TECHNOCRAT, PERHAPS THE PROTOTYPICAL TECHNOCRAT IN A GOVERNMENT DOMINATED BY TECHNOCRATS. HE SEEMS TO HAVE THE TYPICAL TECHNOCRAT'S TENDENCY TOWARD A CARTESIAN COHERENCE OF POLICY, WHICH DOES NOT TAKE INTO ACCOUNT THE HARD, AND SOMETIMES DISJOINTED, REALITIES OF THE MARKETPLACE. CONFINING THE DECISIONMAKING PROCESS TO THE ADMINISTRATION IGNORES END-USERS AND LABOR, WHO CAN MAKE VALUABLE CONTRIBUTIONS. PERHAPS ALSO AN OUTCOME OF HIS TECHNOCRATIC INCLINATION IS AN UNINSPIRING APPROACH. IN EXPLAINING HIS DECISIONS, GISCARD HAS TAKEN THE LOW-KEY TONE OF A PROFESSOR--OR FINANCE MINISTER. HE LACKS THE ELAN OF DE GAULLE IN PROJECTING A VISION OF FRANCE AS A GREAT POWER.

6. CONCLUSION: HOW MUCH CAN WE GENERALIZE ABOUT

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THE DECISIONMAKING STYLE OF THE GISCARDIEN GOVERNMENT
FROM ITS DECISIONS ON SCIENCE AND TECHNOLOGY? FIRST,
GISCARD HAS CLEARLY WANTED THE MAJOR PROGRAMS INHERITED
FROM POMPIDOU TO BE RECONSIDERED ON THEIR OWN MERITS,
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WITH AN EYE TOWARD THEIR REFORM. INDEED, IN
THIS FIRST YEAR, HE HAS ACHIEVED MORE DOMESTIC REFORMS
THAN POMPIDOU DID IN FIVE YEARS (REF H). SECOND,
GISCARD'S TRAINING AT POLYTECHNIQUE, ENA, AND AS AN
INSPECTEUR DES FINANCES, PLUS HIS PERFORMANCE AS THE
FINANCE MINISTER WHO BROUGHT FISCAL STABILITY TO FRANCE
AND SURVIVED THROUGH MOST OF THE GAULLIST PERIOD,
SUPPORT THE IMAGE GIVEN ABOVE, OF A METHODOICAL
DECISIONMAKER DEMANDING RIGOROUS ANALYSIS FOR MAJOR
DECISIONS. THIRD, GISCARD'S IS AN ACTIVE, AUTHORITA-

TIVE GOVERNMENT INTENT ON CONTROLLING ITS STRATEGIC TECHNOLOGICAL INDUSTRIES, PARTICULARLY THOSE RECEIVING GOVERNMENT FUNDS. FOURTH, GISCARD, LIKE HIS TWO PREDECESSORS, AIMS TO ACHIEVE FRENCH INDEPENDENCE IN MULTILATERAL SITUATIONS. THIS REQUIRES THAT THE FRENCH BE AN EQUAL PARTNER RETAINING FREEDOM OF DECISION ON MATTERS OF HIGH NATIONAL INTEREST. FIFTH, CONSULTATION WITH PARLIAMENT, POLITICAL PARTIES, AND LABOR ON ADMINISTRATIVE DECISIONS DOES NOT SEEM TO FIT HIS STYLE, NOR IS IT NECESSARY, GIVEN THE ENORMOUS POWER THE FIFTH REPUBLIC ACCORDS TO A PRESIDENT WITH A PARLIAMENTARY MAJORITY--A MAJORITY HE CAREFULLY PRESERVES BY NOT STRAYING TOO FAR FROM THE GAULLIST TRADITION.

7. THE GOVERNMENT FACES SEVERE PROBLEMS AHEAD. FIRST IT MUST SOON MAKE SOME DIFFICULT DECISIONS REGARDING THE FUTURE OF THE AIRCRAFT INDUSTRY WHICH FALLS WITHIN A DIFFERENT DECISIONMAKING FRAMEWORK. HERE THE DEFENSE MINISTRY HAS OVERALL RESPONSIBILITY WITH THE TRANSPORT MINISTRY ALSO HAVING A SAY. UNLESS NEW PROGRAMS ARE LAUNCHED, WHETHER IN COOPERATION WITH OTHER COUNTRIES (THE U.S.?) OR INDEPENDENTLY, UNEMPLOYMENT WILL BE AGGRAVATED--PROBABLY AN UNACCEPTABLE ALTERNATIVE, GIVEN THE CURRENT HIGH NATIONAL LEVELS OF UNEMPLOYMENT.

8. TWO MORE GENERAL PROBLEMS WERE SPECIFIED BY AN EMINENT FRENCH SENATOR, A NON-PARTY MEMBER OF THE MAJORITY, WHO IS CHARGED BY THE SENATE WITH TECHNOLOGICAL ISSUES. HE MAINTAINED THAT THE DECISIONS ON THE TECHNOLOGICAL INDUSTRIES WERE POLITICAL DECISIONS LIMITED OFFICIAL USE

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THAT SHOULD HAVE PROCEEDED THROUGH THE POLITICAL PROCESS, THE IMPLICATION BEING, THROUGH PARLIAMENT. INDEED, BY INVOLVING PARLIAMENT, THE ADMINISTRATION WOULD HAVE SHARED RESPONSIBILITY FOR SOME RATHER CONTROVERSIAL DECISIONS. SECONDLY, THE SENATOR FELT THAT THE OBJECTIVE OF AN INDEPENDENT CAPABILITY ACROSS-THE-BOARD IN THE STRATEGIC TECHNOLOGIES IS UNREALISTIC FOR A NATION THE SIZE OF FRANCE. HE PREFERRED INSTEAD A MORE MODEST APPROACH OF SPECIALIZING IN CERTAIN AREAS AND RELYING ON IMPORTED TECHNOLOGY IN OTHERS. THIS OPTION, HOWEVER, WILL NOT BE AVAILABLE AS LONG AS GISCARD ADHERES TO THE GAULLIST CONCEPT OF NATIONAL INDEPENDENCE.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, TECHNOLOGY, NUCLEAR ENERGY, PROGRAMS (PROJECTS), COMPUTERS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975PARIS29946
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750400-0554
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751136/aaaabgdq.tel
Line Count: 382
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
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Reference: 75 PARIS A-71
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 23 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 APR 2003 by BoyleJA>; APPROVED <17 OCT 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GISCARD AND FRENCH TECHNOLOGY, PART I: THE DECISIONMAKING STYLE
TAGS: TECH, TGEN, EIND, EINV, FR, (GISCARD D'ESTAING, VALERIE)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006